Claims 1-6 and 8-10 were examined and rejected. Claims 7 and 11-35 have been canceled. Applicants amend claims 1, 3 and 8 and submit additional claims 36-43 for consideration. Applicants submit that no new matter is added herein as amendments to claims 1 and 8 to require a server or a computer processor performing steps are supported at least by page 15 and Figs. 5-6; amendment to claim 3 is supported at least at page 23 lines 21-35; amendment to claim 1 to require automatically managing comprising automatically evaluating and automatically executing is supported at least at Fig. 10 and page 22 line 21 through page 23 line 2; additional claim 36 is supported at least at page 31 lines 29-35 and page 22 line 21 through page 23 line 2; additional claim 37 is supported at least at page 22 lines 21-33; additional claim 38 is supported at least at page 22 line 21 through page 23 line 2; additional claim 39 is supported at least at page 11 lines 5-26, and page 8 lines 5-15 of the application as originally filed; additional claim 40 is supported as described for amended claim 1 and for additional claim 39; additional claims 41-43 are supported at least as noted above for claims 36-38.

I.   **Claims rejected under 35 U.S.C. §102**

The Patent Office rejects claims 1-6, 8-10 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,223,566 to Levine et al. (<u>Levine</u>). It is axiomatic that to be anticipated every limitation of the claim must be disclosed in a single reference.

Applicants disagree with the rejection above of claim 1 for at least that the cited reference does not disclose receiving by a <u>computer processor of the server</u> a commitment contract, the commitment contract specifying a number of loan products to be fulfilled to satisfy said commitment contract; and <u>automatically managing by said processor</u> one or more underwriting criteria for said loan products, wherein one of said loan products has a corresponding group of underwriting criteria, and <u>wherein automatically managing comprises automatically evaluating the underwriting criteria and automatically executing actions to fulfill the underwriting criteria</u>. According to claim 1, for example, without limitation thereto, a commitment contract may describe a rate commitment for a specific volume of money or quantity of a specific loan product from a conduit bank (such as in a conventional forward sale funding process), such as noted at line 5-15 of page 8 of Applicant's specification. Also, for example, without limitation thereto,

the product "to be fulfilled" may describe loan products that are not yet funded but are "preapproved" for purchase by a secondary market, conditional on conditions to be met, such as described at line 15-23, page 3 of Applicant's specification.

Levine describes an exchange system that publishes loans that have already been fulfilled and funded, for sale to buyers in a trading bid (see col. 21, lines 23-40; col. 21, lines 57- col. 22, lines 37; and figure 23). For example, figure 23 refers to a pool of loans offered by a mortgage company having "weighted averages", "accept", "decline", and "suspend" values for an entire pool of already funded loans (see fig. 23 and col. 23, lines 53-col. 24, line 7). For example, a commitment contract of loan product to be fulfilled may be related to a forward sale conventional funding process, while on the other hand, Levine teaches only to a "slow" or "bulk" conventional funding process (see col. 3, line 34-36 and col. 8, lines 45-46). However, Levine dos not teach the above noted limitations of claim 1.

For example, addressing the **Response to Arguments** section on page 2 of the current Office Action and the Patent Office's assertions that at col. 3 lines 50+ Levine suggests a rate commitment for a specific volume of a loan product; and that Levine suggests that the secondary mark would pre-approve loans based on conditions related to loan pools, FICO scores, and other criteria at col. 3 line 66 through col. 4 line 32 and col. 9 lines 10+. Applicants disagree with both assertions. Moreover, even if true, Applicants submit that such suggestion does not satisfy the anticipation criteria of a §102 rejection. For example, claim 1 requires automatically managing by a computer processor of a server one or more underwriting criteria including automatically evaluating the underwriting criteria and automatically executing actions to fulfill the underwriting criteria. On the other hand, Levine does not teach or suggest any such automatic performance. Instead, Levine teaches that investors may negotiate with mortgage bankers in a process where computers are used by mortgage bankers to advertise pools of loans, by investors to review information about the loans, and by the investors to send revised pools back to the bankers (see col. 3 line 50 through col. 4 line 33). Levine also teaches that similar negotiation process where the mortgage banker and secondary markets may use computers to negotiate loan pools between the mortgage banker and secondary markets (see col. 3 line 50 through col. 4 line 33). For example, in these processes, it is the subscribers to the computer system who pre-set, store, update, and monitor rules or criteria commonly used for valuation of the loans when considering which loans to negotiate, and when negotiating those loans (see col. 9 lines 11-53).

Thus, although this system uses computers, it requires that subscribers be notified of published loans or loan pools, such as using a "buy alert", access the loans, such as using a buyer search, and then "manually accept, decline, or suspend individual loans in the pool" (see col. 21 line 50 through col. 22 line 32). Here, it is clear that the computer is simply being used as a tool by the parties to negotiate buying and selling of loans, but is not automatically managing underwriting criteria by automatically evaluating the underwriting criteria or automatically executing actions to fulfill the underwriting criteria, as required by amended claim 1.

Consequently, the Patent Office has not identified and Applicant's are unable to find any disclosure in Levine of a computer processor of the server, automatically managing by said processor one or more underwriting criteria for said loan products, wherein one of said loan products has a corresponding group of underwriting criteria, and wherein automatically managing comprises automatically evaluating the underwriting criteria and automatically executing actions to fulfill the underwriting criteria, as required by claim 1. Similarly, the Patent office has not identified and Applicants are unable to find any disclosure, teaching, or suggestion of a commitment contract specifying a number of loan products to be fulfilled to satisfy the said commitment contracts, as required by claim 1. Hence, for at least these two reasons, Applicants respectfully request the Patent Office withdraw the rejection above of claim 1.

In addition to being dependent upon allowable base claim 1, Applicants disagree with the rejection above of claim 3 for at least the reason that Levine does not teach automatically assigning a fulfillment grade to a funded loan; and maintaining in a database a record of funded loans for said loan products, as required by amended claim 3. As noted above, Levine teaches users using computers as a tool to manually perform tasks using the computer. However, Levine does not teach a processor of a server automatically assigning a fulfillment grade, as required by amended claim 3. Hence, for this additional reason, Applicants respectfully request the Patent Office withdraw the rejection of claim 3.

In addition, Applicant respectfully disagree with the rejection above of claim 8 for at least the reason that the cited reference did not disclose a computer processor providing a registered financial institution with a pre-determined time in which to reject a sale price of said one loan; or a computer processor automatically settling a said loan at said sale price when said registered financial institution accepts, and alternatively failed to reject, said sale price of said one loan before said predetermined time expires, as required by amended claim 8.

Levine describes seller's publishing loans or loan pools for purchase by buyers as noted above (see col. 21, line 23-col. 22, line 33).

However, the Patent Office and Applicants are unable to find any disclosure teaching, or suggesting in Levine of a computer processor providing a financial institution with a predetermined time in which to reject a sale price; or a computer processor automatically settling said loan if the institution accepts, and alternatively fails to reject, said sale price before said predetermined time expires, in accordance with claim 8. Hence, for at least these two reasons, Applicants respectfully requests the Patent office withdraw the rejection above of claim 8.

Each dependent claim is submitted as not being obvious or anticipated for at least the same reasons given in support of their base claims, in addition to for the further non-obvious limitations added by each dependent claim. Hence, for at least those reasons, Applicants respectfully request the Patent Office withdraw the rejection above for dependent claims.

II.   **Additional Claims 36-43**

Applicants submit that additional claim 40 is allowable for at least the reason that Levine does not make obvious automatically managing by a computer processor of a server one or more underwriting criteria for loan products of a commitment contract between a secondary market investor and a primary mortgage bank where the loan products are not yet funded and are to be fulfilled to satisfy the contract. An argument analogous to the one above for claim 1 applies here as well. For example, Levine does not teach or suggest a computer processor of a server managing underwriting criteria of loan products of a commitment contract between a secondary market investor and a primary mortgage bank, as required by claim 40. Hence, Applicants respectfully request the Patent Office allow claim 40.

Each dependent claim is submitted as not being obvious or anticipated for at least the same reasons given in support of their base claims, in addition to for the further non-obvious limitations added by each dependent claim. Hence, for at least those reasons, Applicants respectfully request the Patent Office withdraw the rejection above for dependent claims.

CONCLUSION

In view of the foregoing, it is believed that all claims now pending patentably define the subject invention over the prior art of record and are in condition for allowance, and such action is earnestly solicited at the earliest possible date. If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2666 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17, particularly, extension of time fees. If a telephone interview would expedite the prosecution of this Application, the Examiner is invited to contact the undersigned at (310) 207-3800.

Respectfully submitted,

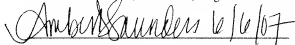BLAKELY, SOKOLOFF, TAYLOR, & ZAFMAN LLP

Dated: June 6, 2007

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Amber D. Saunders   Date